

Strategic entrepreneurship increase innovation, competition, employment, and economic development

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Abstract

Strategic entrepreneurship is predicated on the combination of entrepreneurship and strategic management. Strategic entrepreneurship could be a new approach in management literature. Moreover, today's business world needs an orientation towards strategic entrepreneurship. Strategic entrepreneurship is a necessity for corporations to form most wealth. During this study, strategic entrepreneurship and strategic management are analyzed.

Keywords: Entrepreneurship, Strategy, Strategic Management, Strategic Entrepreneurship

1. Introduction

The importance of entrepreneurship that has become a preferred subject these days is step by step increasing day by day. Not solely entrepreneurship being the generator of development, however conjointly strategy and strategic thinking notably in terms of corporations have become extremely vital. Today's business world has got to be entrepreneurial and strategic so as to form wealth and to be competitive. During this sense, the conception of strategic entrepreneurship that's the intersection of entrepreneurship and strategic management seems as a replacement approach in management literature. During this study, strategic entrepreneurship is analyzed, and its importance for corporations is mentioned.

2. Entrepreneurship

The **conceive** of entrepreneurship stands for "the act of being an entrepreneur", and has been derived from the French word "entreprendre" that means "pursuing the opportunities; undertaking embarking; meeting the wants and demands via initiating an innovation (Astrachan, 2010) entrepreneurship derived from the German word "Unternehmen" stands for the act "Kara furin" in Persian (Astrachan, 2010). The notion of entrepreneur has been derived from the "entire" root in Latin, "enter (introduction) and pre (first)" word roots in English and that mean "entrepreneur", i.e. the one first initiates and starts. In keeping with the historical records, the notion of the entrepreneur was initially used to express those that undertook to guide the long military journeys within the seventeenth-century French military word. However, this term was initially used by the social scientist Richard Cantillon who lived in France at the start of the eighteenth century and it absolutely outlined as "the one who buys and manufactures the assembly and services these days to sell as a value not determined (Hitt, Ireland, & Hoskisson, 2010). As of the French social scientist J.B. Say, entrepreneurship has accepted because the fourth production issue and thus entrepreneurship has enclosed in such classical production factors as labor, capital, and nature. However, the topic has become vital with the notion of "dynamic entrepreneur" instructed by J.Von economist. Here, dynamic entrepreneurs who apply new sales markets, new processes, and new sources of providing, new product and new organization sorts and substitute the previous one with the new one are thought-about because of the most vital factors of economic process (Ireland, 2007). Control and Knight define the entrepreneurship by the characteristics of taking a risk and understood entrepreneurship as "the method of utilizing the opportunities

by taking the risk for profit". Economist outlined entrepreneurship in keeping with its innovative characteristics. Kirzner outlined entrepreneurship in keeping with its opportunist characteristics. Consequently, Kirzner outlined entrepreneurship as "the entrepreneur who takes the profit chance and highlighted the importance of competition" (Hitt, Ireland, Hoskisson, 2010). The notion of entrepreneurship gaining importance within the quickly localizing world could be a multi-dimensional development that being outlined as "the method of gathering the distinctive combination of sources with the aim of (Busenitz, 2007).). Entrepreneurship can even be outlined as "factories of thought and hopes that take the action to form the long- term in terms of strategic competition, and make worth by building sources and skills". Varied definitions created about entrepreneurship and about all of those definitions it's seen that the notion of entrepreneurship includes innovation and ability, and the managers of corporations acting in line with the trendy business administration principle make a case for the **conceive** of entrepreneurship with such notions as flexibility, taking risks, innovation, creativity, dynamism and being development oriented (Hitt, Ireland, & Hoskisson, 2010). Entrepreneurship initiates and develops an amendment within the structure of society and business administration. This change will increase production and growth, however, the fundamental part that facilitates this change and development is originality. Moreover, it's the leading actor within the method of transferring the economic sources from low productivity areas to high ones because it permits the use of unused production factors by combining the entrepreneurial production sources in a very new fashion (Baron, 2007). On the opposite hand, entrepreneurs increase the competitive pressure on the market push alternative firms to boost their activities and potency or to tend towards innovations. Success achieved by entrepreneurs does not solely provide the society with new job opportunities and wealth, however, preference diversity to shoppers (Brorstrom, 2002). Today, people having the spirit of entrepreneurship within the society should understand themselves so as for a neighborhood or country to develop in economic and social terms. A rise in entrepreneurship implies a rise in competition, employment, innovation, quality and potency and acceleration of economic development (Burkart, Panunzi, & Shleifer, 2003). Therefore, the policies associated with the event of entrepreneurship highlighted as a very important issue of economic development in several types of research area unit extremely important. Enterpriser incentives and support mechanisms lay in the middle of those policies.

3. Strategic Management

The word strategy has been derived from the Greek word "strategos", the mixture of "stratos (the army)" and "ago (to lead)" which means the "military general" (He, & Wong, 2004). Some authors have verbalized that the word strategy has been derived from a Latin word "stratum" etymologically. The word "stratum" means that "path, line, stream bed" in Latin. The workbook which means of strategy outlined as "the art of guaranteeing and composing the unit of action to do a goal". The strategy may be an ordinarily used word much in military language (Lubatkin, Ling, & Schulze, 2007). The aim of the military strategy outlined as "the art of designing and managing the acts and activities of armies in a very war" is to realize an ending by victimization current sources most with efficiency and economically. The condition of the battle field, obtaining data about opportunities and dangers, the condition of their own troops, crucial the strengths and weaknesses, investigation the condition of enemies and thus the amount and quality of combat vehicles represent the premise of military strategy. Moreover, the ways in military field planned by taking into consideration the attainable actions of enemies, and if the actions of enemies do not exist, then there's no would like for strategies; plans created and applied (Shepherd, & Haynie, 2009). The history of strategic designing started in the military. The most purpose of business and military strategy is to realize competitive advantage. Business strategy is analogous to military strategy in some ways. Military strategy learned such a lot of things for hundreds of years used by today's business ways. Business and military organizations attempt to use their own strengths with the aim of exploiting the weaknesses of the opponent. Yet, there's a distinction between military and business strategy. Business strategy formalized, applied and evaluated with the idea of competition. Military strategy depends on the idea of conflict (Villalonga, & Amit, 2006). The **conceive** of strategy that was beginning to utilize in the science of management in time will be outlined not

solely as "the ways that to follow to achieve the aim of an organization" (Casillas, Moreno, & Barbero, 2010), however conjointly as "composition of final result-oriented, long and dynamic selections determined to achieve a purpose by examining the activities of rivals" (Haugh, & McKee, 2003). As of the primary days once Henry Mintzberg began his tutorial studies, principally highlighted subject became "creating a strategy". Mintzberg analyzed the strategy as targeted ones and accomplished ones relatively. In keeping with Mintzberg, the strategy will seem in 5 alternative ways (first letters "P" in English) (Yoshikawa, & Rasheed, 2010):

- Plan: Strategy could be a set up expressing the pre-determined aware behaviors to be exhibited for when of a definite condition.
- Ploy: Strategy could be a ploy showed knock a rival or obstacle out.
- Pattern: Strategy is that the consistency and pattern in activity patterns showed reach a definite purpose. Although plans change, no change predicted in the pattern.
- Position: Strategy is that the opinion of the organization among a market or environment.
- Perspective: Strategy is that the perspective crucial however a corporation perceives its environment and the world.

Strategies followed by corporations or companies within the science of management against their rivals have caused a discipline first referred to as strategic designing the strategic management to turn (Chrisman, Chua, & Sharma, 2005). There are varied definitions of strategic management from completely different views. However from a modernist perspective, strategic management outlined as "use of current production sources (natural sources, human sources, capital, infrastructure, stuff etc.) quickly and effectively for the corporate to take care of its period within the long-term, to realize competition advantage and profit on top of average" (Ketchen, Ireland, & Snow, (2007). Strategic management, a management technique utilized in taking selections for the longer term in a corporation has some basic characteristics. These are indicated in Table one (Chrisman, Chua, & Sharma, 2005):

Insert table 1.

Table 1. Some Basic Characteristics of Strategic Management

* The aim of strategic management is to extend the longer term performance of the organization and to boost profit and potency. Strategic management conjointly aims to view for the longer term. Once setting the vision, mission is decided to succeed in this vision. However, crucial vision and mission isn't enough for structure success; methods and action plans ought to even be shaped to succeed in the aim.
*Strategic management ensures designing, organization, coordination, application and management of the longer term activities of the organization.
* Strategic management could be a subject really on prime management. Strategic designing created by the highest management are applied and monitored by the strategists who can serve in lower levels.
* Strategic management, a management technique permitting the analysis of internal and external environment of the organization permits the analysis of strengths and weaknesses of the inner structure of the organization itself. Also, strategic management permits crucial the standing of the organization against alternative organizations. In short, the sources of organization, strengths and weaknesses, opportunities and dangers within the external environment are such and analyzed with strategic management.
* Strategic management helps "strategic thinking". During this sense, the truest techniques and strategy are tried to be determined and that they are applied.
* Strategic management utilizes competition and portfolio analyses in creation and choice of

methods. the aim of portfolio analyses is to assist the organization create a lot of rational choices in such matters as staying in or pulling out of the market or merging with alternative companies.

* Strategic management highlights the importance of the actual fact that a company supported the team work will reach its goals. Crucial the methods are performed with a good participation in prime management and also the most optimum decision-making technique for the firm is chosen.
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* Strategic management helps crucial and answer of the issues within the organization most with efficiency. During this regard, total quality management techniques are utilized on a good scale.

As will be seen in the table, the sense of strategic management that is very vital in increasing to perform of organizations, potency, and gain permits strategic thinking and helps with efficiency decisive and resolve the issues that will occur within the organization.

4. Strategic Entrepreneurship

Business environment changes rapidly in today's world. This environment becomes difficult day by day and organizations/companies should adapt to the present change. The dynamic business world needs new views to be competitive. Today's complicated environment outlined with such ideas as hyper-competition power, originality, speed, aggression, ability, and suppleness. These ideas additionally replicate the sector of entrepreneurship. Therefore, today's corporations could be versatile, strategic and entrepreneurial. About this matter, several scientists within the literature discuss to consolidate of entrepreneurship and strategic management and believe that entrepreneurship and strategic management associated with making wealth and that they should combine. During this sense, we tend to meet with the strategic entrepreneurship approach that may be a new field for business and management literature. Strategic entrepreneurship predicated on the mixing of entrepreneurship and strategic management (Lin, & Hu, 2007). Strategic entrepreneurship shaping the entrepreneurial activity with a strategic perspective emphasizes the importance of managing the entrepreneurial sources or activities strategically to urge the competition advantage (Habbershon, Williams, & MacMillan, 2003). Entrepreneurial action outlined as "strategic actions completed with associate degree entrepreneurial mentality". Strategic entrepreneurship outlined as "the proven fact that entrepreneurial and strategic views complement one another in apply of the actions designed for making wealth" (Zahra, 2005). Both educational fields, i.e. entrepreneurship and strategic management focuses on utilizing the opportunities and adapting to the change. Consequently, one in all the foremost distinct connections between entrepreneurship and strategic management is opportunities. Opportunities rank at the center of each entrepreneurship and strategic management. As an example, it takes places during an apart of SWOT analysis. Corporations produce price by decisive the opportunities in their own external environment. After that, they develop a competitive advantage to utilize them (Li, & Hambrick, 2005). The question of "How will corporations succeed making and maintaining competitive advantage because decisive the new opportunities and making a trying to utilize them?" may be questioning that lies behind the strategic entrepreneurship and places that into the junction of entrepreneurship and strategic management.

Therefore, strategic entrepreneurship may be a notion associated with the behaviors of seeking change and profit that end to create of import for society, structure and/or people (Yoshikawa, & Rasheed, 2010). In short, strategic entrepreneurship focuses on, however "the behavior of seeking chance and the behavior of seeking advantage" is going to be synthesized and combined with the aim of making wealth. It's vital to notice that strategic entrepreneurship cannot be restricted to huge established corporations and the field of company entrepreneurship. Alternatively, "both new enterprises and the established corporations have to be compelled to be entrepreneurial and strategic at a constant time" and "small and large corporations should learn the way to place the mixing of strategic entrepreneurship and cooperative innovation to form wealth" (Monsen and Boss, 2009: 73,74). Even so, it's recommended that there are six junction fields between strategic management and entrepreneurship. They're internationalization, prime management groups and governance, innovation, structure learning, growth, structure networks, flexibility and alter. A robust and

economical strategic entrepreneurship model engineered upon these joint fields, giving the chance of competitive advantage to corporations and composed of 4 strategic entrepreneurship dimensions has been recommended. These are an entrepreneurial outlook, entrepreneurial culture, and leadership, managing resources strategically and applying creativeness and developing innovation (Foss and Lyngsie, 2011: 9). Understanding these junction fields' permits entrepreneurs be concerned in entrepreneurial and strategic activities of upper quality (Weick, 1979). As a result of these points, a strategic entrepreneurship model has been created as seen in Figure one.

Accordingly, the entrepreneurial outlook is largely associated with the power of recognizing the new opportunities, being on the ball and having the power of with success mistreatment the opportunities. Entrepreneurial culture may be a condition during which new ideas and creativeness are expected, taking risks inspired, failure tolerated, learning is inspired, innovations about the product, method, and management defended and never-ending change accepted because of the carrier of opportunities (Foss and Lyngsie, 2011: 9). The weather entrepreneurial culture includes are as follows; taking the risk, being active in an unclear environment, seeking opportunities and benefits, flexibility, variability, agonistically in quality and environmental harmony.

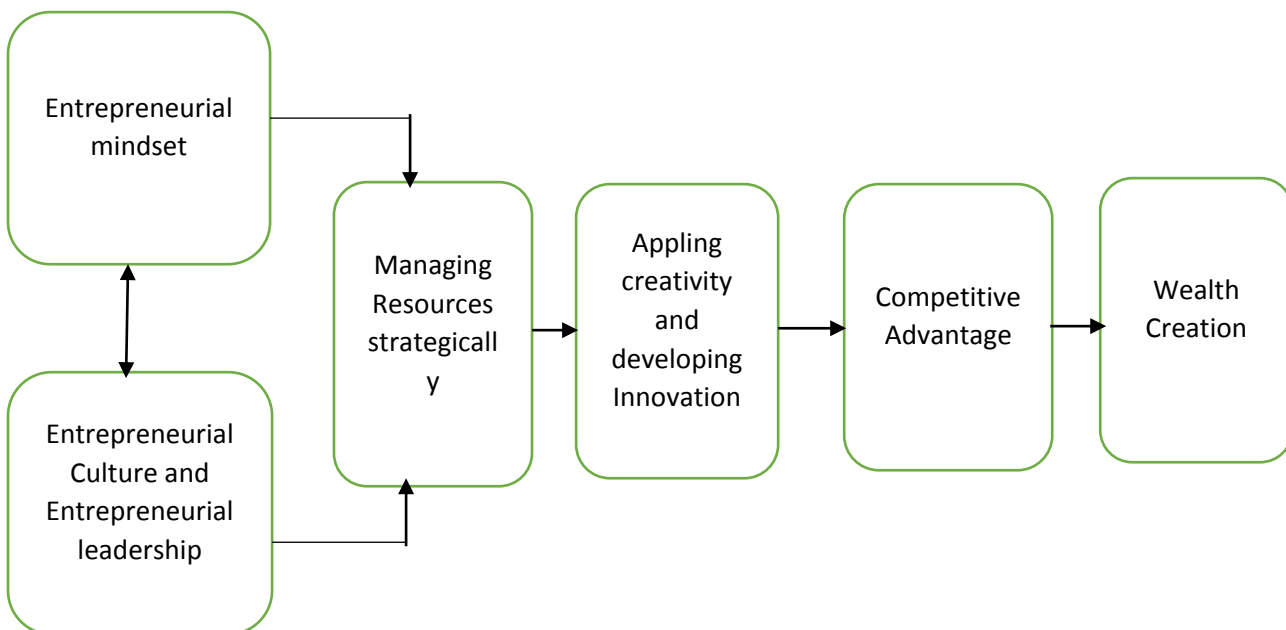


Fig. 1. A Model of Strategic Entrepreneurship

Entrepreneurial culture focuses on opportunities, demands, and gap. In short, entrepreneurial culture predicated on the analysis of strengths, weaknesses, opportunities, and threats, specifically SWOT. This is often a classical strategic management approach. Entrepreneurial leadership behavior predicated on the coordination of sources and directive them towards the targets. This is often a method during which competencies of the corporate are evaluated, the situation of the environment evaluated and it's centered on expertise-based long functions. Strategic entrepreneurship is the strategic management of sources. Strategic management focuses on long and predicated on the coordination of sources for long functions when strengths and weaknesses, attainable opportunities and threats of the corporate are evaluated. Normally terms, strategic management of sources is that the react of the corporate towards environmental desires. Moreover, it's the process of getting most benefit from specialized human resources within the organization. Yet, being innovative within the competition of today's world could be a requisite for corporations from the "creativity" and "innovation" views. There's a necessity for innovative behavior in getting and maintaining a

superior competitive advantage (Genç, 2012: 75). Ability stands for the assembly of recent and helpful concepts all told areas. Ability is that the starting of innovation and therefore the seed of all reforms. In this sense, an ability that happens at the group and individual level is accepted as a place to begin of innovation. Innovation is that the implement of recent concepts brought by ability. In alternative words, innovation because of the method visible concrete and solid result and ability (Astrachan, 2010). Innovation outlined as "the act that endows resources with a replacement capability to form wealth" and innovation becomes a selected instrument for entrepreneurship (Drucker, 1993). The ability of entrepreneur whose main work in trendy societies is continuously realize innovations is evaluated with his/her ability to create innovation and changing this innovation into the concrete business product (Zahra, & George, 2002).

Schumpeter action the importance of innovation within the framework of market dynamics in his studies desired to clarify a method during which previous values are continuously removed and new ones created, and thus the economic structure is systematically modified by exploitation the conceive of "creative destruction". Innovation is that the main issue dynamic the economic structure from past to present, shaping the competitive environment among this structure and crucial the competition power of corporations. Corporations giving and applying the innovations when the inventive method state that innovation is that the only best way in making competition advantage within the market, increasing the share of profit and financial gain stream, ranking before the business, and spring forwards in competition; thus, innovation is that the most powerful competition weapon if accomplished properly (Martinko, Douglas, Ford, & Gundlach, 2004). As a result, consolidation of entrepreneurship and strategy with the aim of making most wealth could be a necessity for corporations. For maximum wealth, enlargement or growth, consolidation of entrepreneurship and strategy can direct corporations towards a self-made method (Ireland, 2007). A good strategic entrepreneurship helps corporations develop their comparative property competition benefits and answer every kind of vital environmental changes visage (Van der Heyden, Blondel, & Carlock, 2005).

Conclusion

Strategic entrepreneurship shaping entrepreneurial activity from a strategic perspective helps corporations raise their performances and develop property competition advantage via increasing profit or market share. Therefore, each new enterprises and long-established corporations meaning to get today's and tomorrow's competitive advantage should learn the way to integrate entrepreneurship with strategic management and should apply strategic entrepreneurship ideally.

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